

LOS ANGELES TIMES
16 November 1985

ARTICLE APPEARED
ON PAGE 1

Aid to Contras Expands U.S. Nicaragua Role

By DOYLE McMANUS,
Times Staff Writer

WASHINGTON—After a slow and sometimes rocky start, the Reagan Administration's aid to Nicaragua's anti-Sandinista rebels this year has reached \$5.5 million, will soon hit \$11.5 million and is quietly expanding the U.S. role in the jungle war, officials said Friday.

A growing number of the rebels, known as *contras*, are wearing U.S.-made boots, belts and canteens supplied under a U.S. law that permits "humanitarian" aid.

The CIA has increased its presence in the contra camps, congressional sources said, both monitoring the rebels' activities and giving them U.S. military intelligence about the Sandinistas. And soon, officials said, the CIA will be giving the contras new radio equipment to help them act on tactical intelligence.

But despite the renewed flow of U.S. funds and optimistic reports of swelling rebel ranks, the contras' war has yet to get off the ground, Administration officials say. The rebels have mounted no serious military offensive against the Sandinistas since August.

Debating Goals

Politically, the contra leaders are still debating the fine points of a basic statement of their goals. Their attempts to raise private contributions for arms purchases have bogged down. And some of their new American aid is being lost to corruption in Honduras, their main supply base—perhaps as much as 20%, one aide suggested.

"They still don't have their act together," a State Department official said. "They have not been easy people to work with."

Contra leader Adolfo Calero acknowledged that progress has been slow. "You don't put these things together overnight," he said in a telephone interview from his base in Miami.

But he rejected any suggestion that corruption or inefficiency has handicapped his guerrilla army of 17,000.

"That's not true; it's crap," he said. "We are lean, efficient and honest. That's how we managed to stay alive and grow when we had no money."

The United States has been helping the contras since 1981, when

President Reagan first authorized secret aid to the rebels in their fight against Nicaragua's Marxist regime. That program escalated until 1984, when Congress discovered that the CIA had mined Nicaragua's harbors. In the furor that resulted, the rebels' U.S. funds were cut off.

New Vote in March

But last spring, Congress approved renewed aid, although the funds cannot be used for weapons or ammunition. That compromise, however, was passed narrowly and the issue is scheduled to come to another vote in March.

Rep. Dave McCurdy (D-Okla.), one of the key Democrats who fashioned last summer's compromise, said he has been disappointed by the contras' inability to present a coherent political program as well as their lack of military success.

"If they're going to pose a real alternative to the Sandinistas, they have to develop something other than a war machine; they have to develop a clear political identity," he said. "They haven't been able to do it."

Contra officials say negotiations on a common political program have been slowed by disputes among their leaders. "We're going to have a detailed political program, but it will be, maybe, another month or so," Calero said.

On the military front, Calero said that the Sandinistas' increased use of Soviet-supplied Mi-24 helicopters has forced the rebels to shift their main operations eastward from Nicaragua's populated Pacific seaboard—their strategic target earlier this year—into the less strategic but well-covered jungles of the Atlantic coast. But he insisted: "We're doing well. . . . We're going to drive the Sandinistas crazy."

Reaf

President Reagan, in a 28-page report to Congress on the operations of the rebel aid program this week, reaffirmed his commitment to their fight.

As of Oct. 31, the report said, the State Department's Nicaraguan Humanitarian Assistance Office had granted \$5.5 million to the contras' umbrella organization, the United Nicaraguan Opposition. An official familiar with the program said additional grants would soon be made to bring the total up to \$11.5 million.

Contra leaders and some Administration officials have complained that the State Department has been slow in disbursing the funds. But Robert W. Duemling, the former ambassador who runs the program, said he believes his caution has been in order.

"I want to keep this thing beyond reproach," he said. "We are . . . not skating close to the edge."

Another official familiar with the program said that roughly 65% of the fund's payments have gone directly to U.S. suppliers whose shipments are easily verifiable. But in the case of food and other

supplies that are purchased in Honduras or other countries, officials said, guarding against corruption is more difficult.

Another official said that as much as 20% of the contras' local expenditures may be skimmed by officials in the countries they deal with but warned that the figure "is only a guess."

The CIA has quietly moved back into a more active role in the contras' war after Congress agreed

that it could provide U.S. intelligence to the rebels, congressional sources said, giving the contras information about Sandinista troop movements based on U.S. surveillance flights and radio intercepts.

And the House and Senate Intelligence committees have approved a secret provision in this year's intelligence authorization bill that will allow the CIA to supply the contras with sophisticated radios for sending and receiving such data, congressional sources said.